

STATE OF TEXAS
COUNTY OF BEXAR

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CPS - PUBLIC IMPROVEMENT DISTRICT

INTERLOCAL AGREEMENT

The City of San Antonio (“CITY”) a Texas municipal corporation, through its City Manager or designee, and City Public Service (“CPS”), a political subdivision of the State of Texas, through its designated officer, (collectively “Parties”) enter into an Interlocal Agreement (“Agreement”) for the purpose of enhancing services to the public within the San Antonio Downtown Public Improvement District (“PID”), as outlined below. Each organization, as a duly constituted local governmental entity, has the legal authority to enter into this agreement pursuant to the Interlocal Cooperation Act, V.T.C.A., Government Code Section 791.001 et. seq.

Section 1 – Purpose

1.1 This Agreement sets forth the duties and obligations of the Parties pertaining to the continued operation and management of the PID as provided in the San Antonio Downtown Public Improvement District Service and Assessment Plan for Fiscal Years 2024 - 2028 (the “Plan”), attached as Exhibit “A” to this Agreement.

Section 2 – Term

2.1 The term of this Agreement shall commence on October 1, 2023, and shall terminate on September 30, 2033, unless terminated sooner as provided in this Agreement.

2.2 In the event that the Downtown Public Improvement District is terminated, this Agreement shall automatically terminate, without any action from either party.

Section 3 – Voluntary Payment

3.1 In exchange for the valuable services provided within the PID, CPS agrees to pay the amount of \$64,000 for Fiscal Year 2024, as provided for in Texas Local government Code 372.014(b). The amount of this payment will increase by 3% annually throughout the term of this Agreement. For Fiscal Year 2024, CPS agrees to submit the payment in equal monthly payments of \$5,333.33, on or before the twentieth day of each month. Payments may be by company check made payable to the “City of San Antonio PID Fund,” and shall be mailed to CITY address listed below in Section 12. CPS agrees to and shall promptly pay the amounts agreed to under this Agreement. It is further agreed and understood by the Parties that under no circumstances shall CPS be required to pay any penalty or interest under this Agreement. Annual payments with 3% escalation shall be as follows:

Year	Amount
FY 2024	\$ 64,000
FY 2025	\$ 65,920
FY 2026	\$ 67,898
FY 2027	\$ 69,935
FY 2028	\$ 72,033
FY 2029	\$ 74,194
FY 2030	\$ 76,419
FY 2031	\$ 78,712
FY 2032	\$ 81,073
FY 2033	\$ 83,505

3.2 CPS understands and acknowledges that CITY has a contract with Centro Public Improvement District to oversee, manage and operate the PID. Should this subcontractor change during the term of this Agreement, CITY agrees to and shall notify CPS in writing of said change promptly, but not more than five business days after the change has taken place.

Section 4 – Default, Remedies and Early Termination

4.1 Default occurs if a Party fails to adhere to its respective obligations in accordance with the terms and conditions of this Agreement. Failure by either Party to require compliance with any provision of this Agreement shall not be interpreted as a waiver of this Agreement and shall not prevent future enforcement or requirement of compliance with such provision. In the event of default, the non-defaulting party shall give the defaulting party written notice of the condition of default. The defaulting party may cure such default within thirty days from and after date of receipt of notice of default. In the event of continued failure to cure or continued absence of efforts to cure such default, the non-defaulting party may notify the defaulting party of its intent to terminate this Agreement and pursue any and all available remedies at law or in equity.

4.2 This Agreement can be terminated, for any reason, with 120-day notice provided by either Party.

Section 5 - Certificate of Current Revenues

5.1 In compliance with Section 791.011, Tex. Govt. Code, the parties agree that payments for the performance of this Agreement are from current revenues available to each respective party and that the consideration agreed to fairly compensates the party performing the services or functions delineated under this Agreement.

Section 6 - Applicable Law/Venue

6.1 Venue of any court action brought directly or indirectly by reason of this Agreement shall be in Bexar County, Texas. This Agreement is made and is to be performed in Bexar County, Texas, and is governed by and will be interpreted according to the laws of the State of Texas.

Section 7 - Independent Contractor

7.1 Both Parties, in the performance of this Agreement, will be acting in an independent capacity and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever, including workers' compensation liability.

Section 8 - Assignment

8.1 Except as otherwise provided, this Agreement may not be assigned by either party without the consent of the other party. Any attempt to assign any performance of the terms of this Agreement without the prior written consent of the other party shall be null and void and shall constitute a material breach of this Agreement upon which the non-assigning party may cancel, terminate, or suspend this Agreement.

Section 9 - Legal Compliance

9.1 If any provision of this Agreement, or the application of any provision of this Agreement to any person or circumstance is rendered or declared illegal for any reason and shall be invalid or unenforceable, the remainder of the Agreement and the application of such provision to other persons or

circumstances shall not be affected by the illegality, invalidity or unenforceability, but shall be enforced to the greatest extent permitted by the applicable law.

Section 10 - Incorporation of Documents

10.1 CPS and CITY agree that this Agreement is to be construed together with the Plan attached as Exhibit "A", subject to the requirements of Section 11, below, and any modifications or revisions to such Plans or Exhibits.

Section 11 – Changes to Exhibits

11.1 CPS and CITY understand and agree that City Council may, from time-to-time, amend, revise or modify the Plan attached as Exhibit A. In such event, CITY agrees to and shall promptly notify CPS of such change(s). Should CPS find, in its own discretion, that the amendment, revision or modification is not in CPS's best interest, CPS may terminate this Agreement by providing written notice as outlined in Section 4.2.

Section 12 – Notices

12.1 All notices to any party by the others required under this Agreement shall be addressed to such party at the following respective address:

CPS:
CITY PUBLIC SERVICE

500 McCullough
San Antonio, Texas 78215
Attention: Brian Spruiell, Director, Facility Operations

CITY:
CITY OF SAN ANTONIO
John Jacks
Director, Downtown Operations Dept.
P.O. Box 839966
San Antonio, TX 78283-3966

Notice of change of address by either party must be made in writing delivered to the other party's last known address within five business days of such change.

Section 13 - Amendments

13.1 Any amendment to this Agreement is subject to the written approval by all parties to this Agreement. CITY amendment is effective after approval by the City Council, when required, as evidenced by a duly authorized ordinance.

Section 14 – Indemnification

14.1 CPS and CITY acknowledge they are political subdivisions of the State of Texas and are subject to, and comply with, the applicable provisions of the Texas Tort Claims Act, as set out in the Texas Civil Practice and Remedies Code, Section 101.001 *et. seq.* and the remedies authorized in the Act regarding claims or causes of action that may be asserted by third parties for accident, injury, or death.

Section 15 - Authority

15.1 The undersigned signatories for CPS and CITY each represent that he/she is empowered and authorized to sign this Agreement on behalf of their respective Party in accordance with the terms and conditions stated in this Agreement. The City Council of the City of San Antonio, by Ordinance Number 2023-09-21-____ dated September 21, 2023, authorized the City Manager or a designated representative to execute this Agreement.

Signed to be effective October 1, 2023.

CITY PUBLIC SERVICE

Hargesheimer, Bert Digitally signed by
Hargesheimer, Bert
Date: 2023.09.13 15:04:25 -05'00'

Elbert Hargesheimer
VP Operational Support Services

CITY OF SAN ANTONIO

Erik J. Walsh
City Manager

APPROVED AS TO FORM:

City Attorney

ATTACHMENT:

Exhibit "A" San Antonio Downtown Public Improvement District Service and
Assessment Plan